VZCZCXRO0458 OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR DE RUEHPS #0930/01 3101234 ZNY CCCCC ZZH O 061234Z NOV 06 FM USOFFICE PRISTINA TO RUEHC/SECSTATE WASHDC IMMEDIATE 6656 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 0899 RHMFISS/CDR USEUCOM VAIHINGEN GE PRIORITY RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK PRIORITY RHFMISS/AFSOUTH NAPLES IT PRIORITY RHMFISS/CDR TF FALCON PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RUEPGEA/CDR650THMIGP SHAPE BE PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY RUFOANA/USNIC PRISTINA SR PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 PRISTINA 000930

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TAGS: PGOV PREL UNMIK YI
CURLECT: MOSOVO: LDW INTERNA

SUBJECT: KOSOVO: LDK INTERNAL BATTLE PORTENDS CONTINUING

DIFFICULTIES IN ASSEMBLY AND KOSOVO GOVERNMENT

REF: PRISTINA 906

Classified By: COM Tina S. Kaidanow for reasons 1.4 (B) and (D).

(C) Summary: The internal LDK struggle for power between two factions continues, with the process of party elections now in full swing. Though former Assembly speaker Nexhat Daci appeared to take the early momentum with low-level party victories in eastern Kosovo, the LDK "old guard" under Kosovo President Fatmir Sejdiu has dominated the last few branch elections in key locations including Klina, Pristina, Prizren and Peja/Pec. While this trend is encouraging, the factionalization of the party has had a detrimental effect on party discipline and unity, most noticeable in the Kosovo Assembly and the rudderless quality of the LDK assembly caucus. The date for the LDK party convention is not yet set; it could come as soon as the end of November or early December, but could also be delayed for several weeks because some of the branch elections were deemed irregular and must be re-run. Even if Sejdiu wins the election outright, Daci has made a strong enough showing that he will be a factor in the party for some time. Daci is also receiving unspecified support from Bexhet Pacolli, founder of a new party with murky objectives, who may add to Daci's weight in Kosovo's ever-shifting political climate. We judge it is unlikely, though not impossible, that Daci will break with the LDK after the elections; either way, he and his supporters will prove disruptive to LDK cohesion, making our job more difficult on settlement implementation. End summary.

LDK Struggle Goes On, Sejdiu Gaining Momentum

12. (C) The process of party elections for the LDK is reaching its crescendo, with key party organizations declaring themselves for one of the two primary candidates for the LDK president slot and electing delegates to the LDK convention who will be pledged to either Daci or Sejdiu. Early elections at the lowest level of the party, known as "actives," appeared to give a certain momentum to former Assembly speaker and charismatic figure Nexhat Daci. Daci's fortunes were helped by the fact that LDK municipal leaders in eastern Kosovo (Gjilan, Ferizaj, Viti, Ljipjan), where the first LDK elections took place, feared the outcome of decentralization discussions in Vienna and believed that Daci

would be more forceful in opposing any change to their municipal boundaries. On occasion, some of these local LDK contests deteriorated into outright fights between Sejdiu and Daci supporters, as in Fushe Kosove/Kosovo Polje and Ferizaj (in both areas, "parallel" LDK structures have been set up by Sejdiu backers to protest what they view as an "illicit" takeover of the branch by Daci's people).

13. (C) However, as branch elections have taken place in "old guard" strongholds of Pristina, Peja/Pec, Prizren, and Klina, among others, Sejdiu's numbers have grown to the point where it would be increasingly difficult, if not impossible, for Daci to win the presidency. This is despite -- not because of -- Sejdiu's campaign organization, which is weak to non-existent. Persistent USOP efforts, in tandem with urging from Sejdiu's AAK coalition colleagues and other observers of the Kosovo political scene, to encourage Sejdiu to take a more active approach to the campaign have been generally unsuccessful; fortunately, his position as the President of Kosovo and general dislike of Daci in the larger LDK ranks have combined to propel Sejdiu forward in the race.

LDK Internal Divisions Impact Assembly, Government

14. (C) The LDK organization is cumbersome and only nominally hierarchical; without its revered elder statesman, former President Rugova, at the helm, its multi-member party presidency has been riven with dissent along the Daci/Sejdiu lines, and individual members with the power to sway the party in one direction or another -- including Sejdiu, current Assembly speaker Kole Berisha, and Prizren mayor Eqrem Kryeziu -- have been extremely reluctant to put themselves in the forefront. The rudderless quality of the

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LDK has shown itself to be particularly detrimental in the Assembly, where the lack of clear guidance from on high has allowed individual ambition to overshadow party discipline. The LDK caucus leader in the Assembly, Alush Gashi, has no clear loyalties except to himself, and has used the vacuum at the top of the party to assert his own brand of obstructionism, even in the face of clear Contact Group and USG preferences. Gashi fancies himself a dark horse candidate for the LDK presidency, evidently believing that if Daci fails, he could emerge as a more acceptable nominee for the party in opposition to Sejdiu, with the support of Daci's delegates (this is a scenario belied by deep dislike for Gashi among most LDK rank and file). Gashi also harbors lingering resentment that the international community -- in his mind mainly the U.S. government -- did not elevate him to the Assembly speakership or Presidency in the immediate aftermath of Rugova's death and the resulting government shuffle.

15. (C) Gashi's instinct to cause mischief just to show his own power, and his flirtation with Daci, has led to open clashes with the international community and USOP on several occasions, most notably regarding the passage of an amendment to the Law on Languages (part of the 13 Contact Group priority standards) and more recently during the fierce Assembly debate over the audit report detailing mismanagement under Daci's Assembly reign (reftel and septel). Only repeated USOP intercession with Speaker Berisha and President Sejdiu prompted them to lay down the law with the LDK caucus, instructing caucus members over Gashi's head to agree to parliamentary debate of the audit report and thereby avoid a prolonged opposition boycott of the Assembly's work. Even after Berisha and Sejdiu's intercession, the motion to debate the audit report and form an investigative commission on mismanagement passed by 58 to 5, with 87 members present in the Assembly; while the Assembly's electronic voting does not record individual votes, we can assume the bulk of the LDK caucus merely abstained rather than vote in favor. A number of LDK caucus members are known to support Daci, and at least a couple of these found their way into the composition of the new commission, guaranteeing further trouble with the

opposition down the road on this issue. The LDK also remains too preoccupied with its internal issues to be an effective ally in the post-status transition effort, a troubling trend at a time when full LDK governmental support for the UNMIK to ICO and PISG handoff is absolutely necessary.

Whither the LDK?

- 16. (C) Speculation abounds that if Daci fails to win the LDK president slot, as is looking increasingly likely, he will take his supporters and break with the party, creating not only a separate political factor but another parliamentary caucus, as well. This is possible, but it is equally likely that he will stay within the comfortable confines of the LDK and seek to expand his base, relying on new connections and an infusion of cash from wealthy expatriate Kosovar financier Bexhet Pacolli. Pacolli, whose visage is now plastered across Kosovo in a series of billboards extolling the virtues of his own party, labelled the "Alliance for a New Kosovo, is known to be close to Daci and is very likely underwriting his efforts. Daci can continue to cause as much trouble from within the LDK as without, making settlement implementation and passage by the Assembly of critical legislation much more problematic over time. Thus far, USOP, using contacts within the LDK, the AAK, and the opposition, has been able to overcome the periodic crises in the Assembly, but as the stakes grow higher in the status discussions, controlling the LDK will be an ever more labor-intensive endeavor.
- ¶7. (C) If Sejdiu does win the LDK election, we will press him to overcome his traditional passivity and purge the party leadership of its most troublesome figures, including Alush Gashi. Sejdiu's reticence aside, this is a prerequisite for adequate functioning of the party in the post-status phase. We should be prepared, however, for a running Daci role, most likely unhelpful in the extreme, in urging individual party

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members to work against the settlement provisions. USOP will continue to monitor and report on events in the LDK, as well as to press its existing leadership for greater investment in the transition process and clear, uncompromising support for the Vienna negotiations.

18. (U) U.S. Office Pristina clears this cable for release to U.N. Special Envoy for Kosovo Martti Ahtisaari.